

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
Implementation of Section 621(a)(1) of)	
the Cable Communications Policy Act of 1984)	MB Docket No. 05-311
as amended by the Cable Television Consumer)	
Protection and Competition Act of 1992)	

COMMENTS OF TOWN OF CARY, NC

The Town of Cary, NC, has a long tradition of supporting business development and success. We recognize the importance of effective competition and parity in such efforts, and we believe that market forces have the potential to yield innovative and high quality services at competitive prices for our citizens. We apply these tenets to countless service providers, including those in the telecommunications industry. We maintain positive, respectful, and mutually beneficial relationships with our incumbent cable provider, Time Warner Cable, as well as our telephone and data service providers, including BellSouth—a likely future entrant into our market's video service sector. As North Carolina's Technology Town, Cary and our 113,000 citizens are significant consumers of technology; in fact, more than 90 percent of our citizens have access to the Internet, and most subscribe to cable television.

Grounded in these facts and in this philosophy, we believe that the Town of Cary has and will continue to be the best entity to issue and monitor franchises for new video service providers serving our citizens. However, as the Federal Communications Commission considers changes to the existing franchising rules, we ask that it weigh all sides of this very important and complex issue, including the following for our community:

Rights-of-Way – In the 50 square miles that comprise Cary, NC, there are hundreds of miles of public rights-of-way to be maintained and protected. This critical area along our streets and fronting homes and businesses already suffers from an overabundance of critical infrastructure in, on, and above it. Damage or disruption to this infrastructure—electric, gas, phone, water, sewer, data—can have life-altering and life-threatening consequences. Therefore, we request that any changes to the current franchising regulations keep complete control and oversight of public rights-of-way within the local government's authority.

Access Channels – The Town of Cary has invested more than \$1,000,000 in developing and operating our government access channel. Survey data over the last eight years indicate that Cary's government access channel is a vital link

between our citizens and their government. The channel is received by more than 45,000 households in four municipalities and includes important programming from all levels of government. Therefore, we request that any changes to the current franchising regulations not negate the requirement of carrying local public, educational, and government access channels.

Franchise Fees – At nearly \$1 million annually, cable television franchise fees on their own account for nearly one percent of our general fund operating budget, which translates into approximately one cent on our property tax rate. Losing this annual revenue stream would present significant choices and challenges as we continue our mission of providing quality service to our citizens, including operating our government access channel, overseeing cable service complaint resolution, and enforcing public rights-of-way laws and regulations. Therefore, we request that any changes to the current franchising regulations not take funds from local government.

Despite the best intentions, many agree that the Commission's attempts in the 1990s to nationalize cable television rate review and complaint resolution failed. The issues were too local and too numerous to be untangled by even the most motivated federal effort. And with this experience still fresh in our minds, we fear that similar attempts to further nationalize the franchising process might lead to history repeating itself.

In summary, we believe that the Town of Cary's local cable franchising process functions well and is appropriate for new entrants into our video service market. Unlike our state and federal counterparts, we are experienced at working with video providers to both see that the needs of the local community are met and to ensure that the practical business needs of cable providers are supported.

WE THEREFORE respectfully request that the Commission maintain local government authority over franchising and the operation of the local franchising process as set forth under existing federal law with regard to either existing cable service providers or new entrants.

Respectfully submitted,

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